

**COUNTY OF SAN BERNARDINO
CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2005

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-01

Program: Mental Health Services Block Grants (SAMHSA)

CFDA No: 93.958

Compliance Requirement: Subrecipient Monitoring

Department's Response

We concur.

Corrective Action Plan

For Conditions 1 & 3:

- DBH Administrative Services Fiscal and Contract employees met on May 24, 2006 in order to establish procedures to review all existing and new contracts to ensure Federal award information and applicable compliance requirements are included in contract language, and amend existing contracts as necessary.
Expected date of completion: June 30, 2007
- Administrative Services has already instituted regular bi-weekly meetings between Contract & Fiscal staff in order to review new contracts and RFPs to ensure Federal award information and applicable compliance requirements are included in contract & RFP language.
Expected date of completion: Ongoing
- DBH is adding additional program, contract, and fiscal monitoring staff in fiscal year 2006-07. These employees will develop improved monitoring policies and procedures, coordinate & perform during-the-year fiscal, contract and program monitoring, and ensure that all contractors are in compliance with Subrecipient Monitoring compliance requirements.
Expected date of completion: June 30, 2007

Responsible Official: Kris Letterman, Deputy Director, Administrative Services, Department of Behavioral Health

For Condition 2:

DBH will develop a formalized process to establish a system for annual program reviews for SAMHSA programs that will include the proposed program review schedule, notification to subrecipient, copy of the SAMHSA program audit tool, corrective action required, and follow-up documentation of required successful corrective remediation and recommendations. It will also include ongoing documentation of any meetings between DBH and subrecipients.

Expected date of completion: June 30, 2006

It should be noted of the five subrecipients mentioned, three of them were not fully operational during the fiscal year reviewed. Cedar House-STAR was a new contract that began operations in late fall, and the other two were contracts that terminated within the first 4 months of the fiscal year.

Responsible Official: Ralph Ortiz, Deputy Director, Adult Services, Department of Behavioral Health

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-02

Program: Mental Health Services Block Grants (SAMHSA)

CFDA No: 93.958

Compliance Requirement: Procurement, Suspension, and Debarment

Department's Response

We concur.

Corrective Action Plan

- DBH Administrative Services Fiscal and Contract employees met on May 24, 2006 to establish procedures to review all existing and new contracts to ensure that language is included on suspension and debarment, and amend existing contracts as necessary.
Expected date of completion: June 30, 2007
- Administrative Services has instituted regular bi-weekly meetings between Contract & Fiscal staff in order to review new contracts and RFPs to ensure the suspension and debarment clause is included in contract & RFP language.
Expected date of completion: Ongoing

Responsible Official: Kris Letterman, Deputy Director, Administrative Services, Department of Behavioral Health

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-03

Program: Mental Health Services Block Grants (SAMHSA)

CFDA No: 93.958

Compliance Requirement: Earmarking

Department's Response

We concur.

Corrective Action Plan

- DBH Fiscal will develop and document a reasonable methodology to allocate administrative costs to the SAMHSA grant.
Estimated date of completion: June 23, 2006
- Administrative costs will be allocated using the methodology developed and will be supported for each quarterly claim thereafter.
Estimated date of completion: With 4th quarter claim for FY 2005-06 to be submitted by August 20, 2006

Responsible Official: Kris Letterman, Deputy Director, Administrative Services, Department of Behavioral Health

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-04

Program: Community Development Block Grant

CFDA No.: 14.218

Compliance Requirement: Cash Management

Department's Response

We concur.

Corrective Action Plan

The Department of Community Development and Housing agrees with the above recommendation and has implemented the following procedures: The Fiscal staff will not draw any funds from IDIS unless the claims submitted have proof of payment and the required back up documentation. Also, the Program Section receives copies of every claim submitted by the subrecipients and can track subrecipients that do not submit claims in a timely manner. These two procedures will help ensure that the County will meet the established cash management goals.

Name of Responsible Person: Douglas Payne, Interim Director, Community Development and Housing

Name of Department Contact: Tom Anderson, Administrative Supervisor I, Community Development and Housing

Projected Implementation Date: February 2006

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-05

Program: Community Development Block Grant

CFDA No.: 14.218

Compliance Requirement: Procurement, Suspension, and Debarment

Department's Response

We concur.

Corrective Action Plan

Finding 2005-05 concludes that the department (CDH) does not require subrecipients to certify whether they are suspended or debarred, and that CDH does not have internal controls in place to ensure that subrecipients are not suspended or debarred. The finding recommends that CDH implement procedures to ensure that contractors are not suspended or debarred prior to contracting with them.

CDH has put in place a system of posting and checking the federal Excluded Parties List System (EPLS) prior to approval of contracts with subrecipients or vendors. This system is detailed in an e-mail message issued department-wide on April 20, 2006.

Additionally, CDH subrecipient contract boilerplates have been revised to include a clause whereby the contractor certifies that it and its principals are not suspended or debarred from participating in federally funded contracts. The revised boilerplate showing the new clause is available for review.

Name of Responsible Person: Douglas Payne, Interim Director, Community Development and Housing

Name of Department Contact: Dave Larsen, Supervising ECD Analyst, Community Development and Housing

Projected Implementation Date: April 2006

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-06

Program: Aging Cluster

CFDA No.: 93.044, 93.045, 93.052, 93.053

Compliance Requirement: Subrecipient Monitoring

Department's Response

We concur.

Corrective Action Plan

The Department of Aging and Adult Services (DAAS) has convened a committee of responsible officials, contracting and program staff to develop consistent policies, procedures, and control systems to ensure compliance with sub-recipient monitoring requirements. DAAS' intent is to fully implement corrective actions by December 31, 2006.

Name of Responsible Person: Colleen Krygier, Director, Department of Aging and Adult Services

Name of Department Contact: Jane Adams, Deputy Director, Department of Aging and Adult Services

Projected Implementation Date: December 31, 2006

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-07

Program: Aging Cluster

CFDA No.: 93.044, 93.045, 93.052, 93.053

Compliance Requirement: Reporting

Department's Response

We concur.

Corrective Action Plan

DAAS will immediately implement staff training on due dates for reporting and ensure established procedures are being followed. Follow-up will begin with the May 2006 reports.

Name of Responsible Person: Colleen Krygier, Director, Department of Aging and Adult Services

Name of Department Contact: Claudia Rozzi, Administrative Supervisor II, Department of Aging and Adult Services

Projected Implementation Date: May 2006

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-08

Program: Airport Improvement Program

CFDA No.: 20.106

Compliance Requirement: Allowable Costs and Activities

Department's Response

We concur.

Corrective Action Plan

The Department of Airports put in place procedures to ensure adequate review of reimbursement requests. The department's staff analyst prepares reimbursement requests and provides payment detail on a spreadsheet with all calculations shown. All payment backup material is maintained in a project-specific file. The Assistant Director of Airports has the responsibility to review reimbursement requests, including the backup material and payment detail, and approve the reimbursement.

The Department of Airports has initiated necessary action with the Federal Aviation Administration to correct the payment discrepancies revealed during the single audit and no funding was lost as a result of the discrepancies.

Name of Responsible Person: Bill Ingraham, Director, Department of Airports

Name of Department Contact: Suzanne Pekar, Staff Analyst, Department of Airports

Projected Implementation Date: May 16, 2006

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-9

Program: HIV Emergency Relief Formula Grant – Title I

CFDA No.: 93.914

Compliance Requirement: Subrecipient Monitoring

Department's Response

We concur.

Corrective Action Plan

The County agrees with the findings and recommendations.

1. The subrecipients' contracts for program year 2006-07 now include the CFDA number.
2. Amendments will be processed to include the OMB Circular A-133 language regarding single audit requirements.
3. A Memorandum of Understanding with the County operated clinic has been drafted and will be established in Fiscal Year (FY) 2006-07.
4. Furthermore, the County was performing fiscal monitor prior to FY 2004-05 and has restarted it in FY 2005-06 to ensure compliance with allowable costs principles.

- **Person responsible for ensuring that items 1,2,3, and 4 are completed:** Daniel Perez, Program Coordinator, Department of Public Health
- **Person charged with oversight of development process:** Beatriz Valdez, Chief of Administrative Services, Department of Public Health
- **Expected completion date:** **Item 1** – March 1, 2006; **Item 2** -- All contracts/amendments as of March 1, 2006; **Item 3** -- Prior to the end of FY 06-07; **Item 4** -- Ongoing as of FY 05-06.

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-10

Program: HIV Emergency Relief Formula Grant – Title I

CFDA No.: 93.914

Compliance Requirement: Cash Management/Period of Availability

Department's Response

We concur.

Corrective Action Plan

The county agrees with the findings and recommendations. 1. The county will establish policies and procedures to ensure reimbursement requests are accurate and complete and that funds are not withdrawn in advance. 2. The county will determine if interest earned on the advances are required to be remitted to the Federal agency.

- **Person responsible for Item 1** -- Cynthia Lambrich, Supervising Accountant III, Department of Public Health; **Item 2** -- Daniel Perez, Program Coordinator, Department of Public Health.
- **Person charged with oversight of development process:** Beatriz Valdez, Chief of Administrative Services, Department of Public Health.
- **Expected completion date:** **Item 1** -- September 30, 2006; **Item 2** -- August 31, 2006.

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2005

Finding 2005-11

Program: State Homeland Security Grant Program

CFDA No.: 97.067

Compliance Requirement: Allowable/Unallowable Costs

Department's Response

We concur.

Corrective Action Plan

The San Bernardino County Fire Department/Office of Emergency Services has instituted the following process for requesting equipment revisions at the State level. Forms have been created for each grant year that delineates all changes (amend, delete, add, etc.). The form is sent via e-mail to the State Program Representative where it is approved and the Automated Ledger System is amended. The State Program Representative then returns the e-mail with an approval. The e-mail is printed and filed in the appropriate year for future reference. The applicable jurisdiction is then notified of the approval.

Name of Responsible Persons: Denise Benson, OES Division Manager, County Fire
Randy Booker, Budget Officer, County Fire

Name of Department Contacts: Breanna Medina, Emergency Services Officer, County Fire
Tina Sutura, Grant Accountant, County Fire

Projected Implementation Date: Immediately